

**Board of Selectmen  
Town of East Windsor  
11 Rye Street  
East Windsor, CT**

**MINUTES OF SPECIAL MEETING MEETING, June 21, 2010 at 6:00 p.m.**

These minutes are not official until approved at a subsequent meeting.

Members Present: Denise Menard, Mark Simmons, John L Burnham, Gilbert Hayes,  
and Richard P. Pippin, Jr.  
Members Absent: None  
Others: Catherine Cabral, Caroline Madore, Jack Mannette, Robert Little,  
Danelle Godeck, Kathleen Pippin, Marie DeSousa, Jason Bowsza,  
Jamie Daniel, Steven Mednick, Bonnie Yosky, Scott Riach, Dale  
Nelson, Becky MacDonald, and many others  
Press: K. Loucks (Journal Inquirer)

First Selectwoman Denise Menard called the Special Meeting to Order at 6:00 p.m., in the East Windsor Town Hall.

Ms. Menard began the meeting by reading from an email dated June 17, 2010 regarding Board of Selectmen Special Meeting of June 21, 2010 regarding the 2010-2011 Budget. The email indicates after speaking with members of the Board of Selectmen, it was agreed to have this Special Meeting to clarify the Charter issue raised by the Board of Finance. The meeting will not be a joint meeting, although the Board of Finance was asked if they would like the meeting to be a joint meeting, members of the Board of Finance have been advised of the meeting and asked if they would like to participate in same. Attorney Steve Mednick has also been advised of the meeting and will be attending same.

Attorney Steve Mednick and Ms. Jamie Daniel arrived at the meeting at 6:04 p.m.

Ms. Menard then began discussing the issue regarding the issue at hand. She explained the revised Charter which was voted on in November of 2009, indicates after a failed third budget referendum, the budget would revert back to last year's budget plus a 2% percent increase over last year's budget. The 2% increase, according to the opinion of the Board of Finance, will then be put into a separate line item. If the money is needed for certain departments or line items, the transfers process would then take place going to the Board of Finance for approval or if the transfer exceeds \$20,000, the transfer would then go before a Town Meeting for approval.

Ms. Menard indicated the Board of Selectmen has recommended to the Board of Finance at their June 16, 2010 Regular Meeting the following:

- (1) Fund the General Government Department budget line items as submitted by the Board of Finance to Referendums held on May 25, 2010 and June 8, 2010 in the amount of \$13,533,432 (an increase of \$128,005).
- (2) Fund Contingency Fund Account Section 8-5(B)(4) – Account No.: 0-01-50-8-899-000-0 in the amount of \$140,104 to be used as needed throughout the year.

However, there was some confusion during the discussion of this recommendation at the Board of Finance Regular Meeting regarding the allocation of the 2% budget increase funds. Therefore, this Special Meeting has been scheduled to discuss this subject and to ask Attorney Steven Mednick, who has rendered an opinion on May 17, 2010, to attend the meeting to help clarify this issue.

Ms. Menard asked if there were anyone from the public attending the meeting if they had any comment or participation regarding the subject.

Ms. Bonnie Yosky of 7 Yosky Road addressed the meeting. She indicated she was on the Charter Commission. She indicated it was not discussed how the 2% would be allocated but the increase was to be divided among the Board of Education and Board of Selectmen and those Boards would have to come to a compromise on how the monies would be allocated. The Charter Commissioner never intended this subject to be so complicated.

Mr. Scott Riach, also a member of the Charter Commission, addressed the Board. The town has to work with the Board of Finance in figuring how to allocate the increase of 2%. He could care less about how the money is spent. It is up to the town officials to figure out where the money is needed, either through services or capital improvement projects or other needs of the town. He believes it is up to the Board of Selectmen to recommend to the Board of Finance where the money should be allocated. He would like the Board of Finance to accept the Board of Selectmen's recommendations.

Ms. Marie DeSousa, speaking as a Board of Finance Member, wanted to thank all of those who were involved in the Charter Commission. She indicated the reason for the meeting is to make sure the Board of Finance makes the correct decision in allocating the 2% increase how the Charter Commission intended it. She wants to make sure when making this decision, there will be no legal ramifications of that decision. She also remarked the next time such an issue arises from the budget referendums; there are guidelines in place so such confusion does not happen again.

Ms. Denise Menard, First Selectwoman, addressed the meeting. She wanted to clarify some statements which were recently made about how she is against the Charter. She is not against the Charter. She explained the Board of Selectmen has made recommendations to the Board of Finance. The Board of Selectmen is not trying to spend over the 2%. Some lines from last year's budget are not needed in the 2010-2011 budget and other lines have to be funded which were not in the 2009-2010 budget. She

gave an example of hazardous waste pick-up which was not budgeted in 2009-2010 because the pick-up is scheduled every other year. The hazardous waste pick-up is scheduled for this year; however, the line is not funded in the 2009-2010 budget. The other example given was a capital improvement project of the Fire Department, wherein the Fire Department is requesting a new excavation tool. Again, this line item was not funded in the 2009-2010 budget. Therefore, those two requests would have to be funded and she would like some clarifications on how to fund these line items. She has been accused of trying to railroad the transfers quickly. She denies this allegation indicting the new fiscal year begins on July 1, 2010.

She asked if any questions of the Board of Selectmen or any other person regarding this subject.

Mr. John Burnham, Selectman, asked a question concerning the Broad Brook Library. He indicated the last year's budget the Library was budgeted approximately \$5,000 but the proposed budgets, which failed, cut the funding 50% to \$2,500. His question was should the Broad Brook Library expect \$5000 this year instead of the \$2500 which was proposed?

Attorney Steve Mednick addressed the meeting. He indicated the Charter indicates if the proposed budget referendums fail for a third time, the budget reverts to last year's budget plus a 2% increase. Bottom line, look at the lines of last year's budget 2009-2010 would be the same for the 2010-2011 budget. The additional 2% will be put in a separate line item. The 2% distribution would be discretionary for the Board of Selectmen to recommend to the Board of Finance.

Mr. Jason Bowsza asked about the capital improvement projects which were budgeted for 2009-2010 and completed. Those monies will not be needed for those projects; however, the monies will be needed to fund other capital improvement projects. Mr. Mannette indicated the funds which were used to complete those capital improvement projects will have to be reallocated to different projects. Attorney Mednick indicated when he wrote his legal opinion, he did not take into consideration capital improvement projects and he could explore that issue at a later date. Ms. Menard asked about contractual obligations and how funding of those obligations would take place. Attorney Mednick indicated contractual obligations would take precedents over any other transfers. Mr. Richard Pippin gave an example of the hazardous waste pick-up line.

Attorney Mednick reiterated the bottom line is the budget to be used is last year's budget and many adjustments will have to be made. The 2% increase is discretionary for the Board of Selectmen to recommend to the Board of Finance any transfers or adjustments. If the transfer exceeds \$20,000, it will have to be taken to a Town Meeting for approval.

A lengthy discussion was held among all the Board Members of the Board of Selectmen, Board of Finance, Attorney Mednick, Ms. Caroline Madore, and Ms. Catherine Cabral. The questions which were discussed had to do with reinstating the cuts which were made to the proposed budget's that failed, adjusting those accounts, and transferring funds to those accounts.

Ms. Marie DeSousa voiced her concern of the \$1.25 Million from the contingency fund to pay for expenditures from last year's budget and not having that money for this budget. Mr. Mannette indicated it could be a big problem in the future. Attorney Mendick indicated transfers have to be reasonable and try to operate within the parameters of the budget. Transfers and/or adjustments can be made throughout the year. However, he did not address this issue in his legal opinion. Ms. DeSousa indicated when the public voted for the budget, they were voting on the total bottom line figure and not line by line of the budget. Ms. Menard voiced her concern that if the public continually votes against the budget, in a few years the town will have a problem funding capital improvement projects and the town will have no growth. She asked Ms. Cabral if a new line can be created within the budget for capital improvement projects so the new projects can be funded. She indicated she has already done so. She indicated two transfers or more into that line will have to be taken to a Town Meeting for approval, which is required by statute.

Ms. Daniel indicated the budget was adjusted and changes were made at budget workshops due to the economic climate. However, all that work is to be disregarded due to the fact the budget was not passed at the referendum. Attorney Mednick agreed. Ms. Godeck believed the voters voted the proposed budget due to the Board of Education budget and not because of the total amount of the budget.

Ms. DeSousa indicated the budget which needs to be used is the actual budget voted in by the voters at the last year's referendum. Attorney Mednick agreed. Mr. Mannette indicated every year transfers are made within the budget, especially at the end of the year.

Attorney Mednick again reiterated the bottom line is the budget to be used is last year's budget and many adjustments will have to be made. The 2% increase is discretionary for the Board of Selectmen to recommend to the Board of Finance any transfers or adjustments. If the transfer exceeds \$20,000, it will have to be taken to a Town Meeting for approval.

A lengthy discussion was held among the Board Members of Board of Selectmen and Board of Finance regarding adjusting and transfers within the budget. It was finally determined that Attorney Mednick would revisit his legal opinion regarding the issue of reverting back to the original budget voted upon by the voters or if reverting back to the budget which includes all adjustments which have been made over the year.

Ms. DeSousa indicated some other issues the new budget will have, for example, all of the retirements which have been requested in order to cut costs. Now, since the budget

failed, how does this effect the retirements. Are there any legal ramifications? Mr. Mednick indicated he would also research this question for the Board and get back to them.

Mr. Robert Little indicated that creating the budget for 2010-2011, use the budget of 2009-2010 and then make adjustments throughout the year. The starting point should be the 2009-2010 figure. Ms. Menard indicated that if every transfer for every line had to be done, it would be 19 pages of transfers, which could be very cumbersome. Mr. Mannette indicated the proposed budgets failed three times and the option through allocation and transfers can be done over time through the transfer process.

A brief discussion was held among Ms. Menard, Mr. Mannette, Mr. Pippin, and Mr. Hayes regarding transfers.

Attorney Mednick indicated the other question which he needs to research is if the approved budget from last year is the same as the adjusted budget from last year. Ms. Menard indicated that the current budget versus the adjusted budget is the same bottom line figure; however, the lines amounts are different. Attorney Mednick indicated set the mill rate and bottom line budget. The adjustments and transfers can take place throughout the year.

A lengthy discussion was held among Mr. Mannette, Mr. Bowsza and Attorney Mednick regarding the adjusted budget and transfers. Attorney Mednick indicated he would contact the Treasurer's Office to discuss the protocol and the difference between the adjusted budget and approved budget.

Mr. Mark Simmons, Selectman, wanted to remind all of those who are involved in the budget process; the town has implemented spending freezes and hiring freezes due to the difficult economic times. The budget needs to be funded now and the current mill rate needs to be set. He believes the town needs to have a procedure in handling the budget and what is being allocated and transferred when the budget referendum's fail.

Ms. Menard indicated that time is of the essence for this issue.

It was **MOVED** (Burnham) and **SECONDED** (Pippin) and **PASSED** (U) that the Board of Selectmen adjourns the June 21, 2010 Special Meeting at 7:27 p.m.

Respectfully Submitted,

Denise M. Piotrowicz  
Recording Secretary